

WELLINGTON UNIFIED SCHOOL DISTRICT NUMBER 353

FINANCIAL STATEMENTS

AND

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2011

Wellington Unified School District Number 353

**FINANCIAL STATEMENTS
For the Year Ended June 30, 2011**

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Wellington Unified School District Number 353

FINANCIAL STATEMENTS
For the Year Ended June 30, 2011

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Education
Unified School District Number 353
Wellington, Kansas

We have audited the accompanying financial statements of the individual funds of Wellington Unified School District Number 353, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note I-B, the District has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, Division of Accounts and Reports, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Wellington Unified School District Number 353 as of June 30, 2011 or the changes in its financial position for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the individual funds of Wellington Unified School District Number 353 as of June 30, 2011, and its cash receipts and expenditures, for the year then ended on the basis of accounting described in Note I-B.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of the District, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the statutory basis financial statements taken as a whole.

Emporia, Kansas

Agler & Gaeddert, Chartered

January 17, 2012



Wellington Unified School District NO. 353

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH AND INVESTMENTS For the Year Ended June 30, 2011

| | Unencumbered Cash and Investment Balance (Deficit), <u>June 30, 2010</u> | Prior Year Cancelled <u>Encumbrances</u> |
|---|--|--|
| Governmental type funds | | |
| General funds | | |
| General | \$ (891,896) | \$ 385 |
| Supplemental general | (221,695) | 332 |
| Special revenue funds | | |
| At risk (4 year old) | 0 | 0 |
| At risk (K-12) | 1 | 0 |
| Capital outlay | 260,760 | 0 |
| Contingency Reserve | 12,728 | 0 |
| Driver training | 9,773 | 0 |
| Food service | 197,870 | 0 |
| KPERS special retirement contribution fund | 0 | 0 |
| Professional development | 0 | 0 |
| Special education | 386,767 | 34 |
| Vocational education | 0 | 0 |
| Textbook and student material revolving | 42,577 | 4,719 |
| Recreation Commission | 31,503 | 0 |
| Recreation Commission Employee Benefits | 5,668 | 0 |
| District Activity Funds | | |
| Gate receipts | 33,619 | 0 |
| School projects | 32,251 | 0 |
| Federal Projects | | |
| Title I | 30,778 | 0 |
| Title II A - Tech Literacy | (1,112) | 0 |
| Carl Perkins - Program Improvement | 0 | 0 |
| Title II - Improving Teacher Quality | (2,064) | 0 |
| Title IV - 21st Century Community Learning Center | 1,028 | 0 |
| Technology grant | 0 | 0 |
| Miscellaneous Grants | 46,839 | 0 |
| Debt service fund | | |
| Bond and interest | 1,301,770 | 0 |

The accompanying notes are an integral part of this statement.

Statement 1

| | | | | Unencumbered Cash and Investment Balance (Deficit), June 30, 2011 | Outstanding Encumbrances and Accounts Payable | Cash and Investment Balance (Deficit), June 30, 2011 |
|------------------|------------|--------------|------------|---|--|---|
| Cash Receipts | | Expenditures | | | | |
| \$ | 10,739,422 | \$ | 10,482,932 | \$ | 5,199 | \$ |
| | 3,705,425 | | 3,437,584 | (635,021) | 26,946 | (629,822) |
| | | | | 46,478 | | 73,424 |
| | 23,622 | | 23,622 | 0 | 0 | 0 |
| | 1,476,019 | | 1,476,020 | 0 | 0 | 0 |
| | 366,095 | | 313,747 | 313,108 | 25,484 | 338,592 |
| | 410,876 | | 16,349 | 407,255 | 0 | 407,255 |
| | 27,277 | | 26,661 | 10,389 | 0 | 10,389 |
| | 800,896 | | 788,371 | 210,395 | 0 | 210,395 |
| | 623,843 | | 623,843 | 0 | 0 | 0 |
| | 0 | | 0 | 0 | 0 | 0 |
| | 3,051,124 | | 2,981,830 | 456,095 | 372 | 456,467 |
| | 358,907 | | 356,149 | 2,758 | 0 | 2,758 |
| | 146,468 | | 147,276 | 46,488 | 28,562 | 75,050 |
| | 372,616 | | 404,119 | 0 | 0 | 0 |
| | 71,934 | | 77,602 | 0 | 0 | 0 |
| | 79,276 | | 65,549 | 47,346 | 0 | 47,346 |
| | 144,455 | | 136,547 | 40,159 | 540 | 40,699 |
| | 574,719 | | 605,497 | 0 | 3,854 | 3,854 |
| | 9,274 | | 8,832 | (670) | 0 | (670) |
| | 15,887 | | 12,429 | 3,458 | 0 | 3,458 |
| | 55,465 | | 92,448 | (39,047) | 2,360 | (36,687) |
| | 44,626 | | 35,308 | 10,346 | 29 | 10,375 |
| | 215,367 | | 215,116 | 251 | 0 | 251 |
| | 313,390 | | 237,789 | 122,440 | 69 | 122,509 |
| | 1,958,057 | | 1,760,750 | 1,499,077 | 0 | 1,499,077 |

Wellington Unified School District NO. 353

SUMMARY OF CASH RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH AND INVESTMENTS
For the Year Ended June 30, 2011

| | Unencumbered Cash and Investment Balance (Deficit), June 30, 2010 | Prior Year Cancelled Encumbrances |
|---|--|--|
| Expendable Trust: | | |
| Scholarships | \$ 130,734 | \$ 0 |
| Capital projects: | | |
| Capital Projects - High School | 560,244 | 0 |
| Total primary government | <u>1,968,143</u> | <u>5,470</u> |
| Component unit | | |
| Recreation Commission - General | 1,276,507 | 0 |
| Recreation Commission - Employee Benefits | 20,353 | 0 |
| Total component unit | <u>1,296,860</u> | <u>0</u> |
| Total reporting entity (excluding agency funds) | <u>\$ 3,265,003</u> | <u>\$ 5,470</u> |
| Composition of ending cash and investments | | |
| Demand deposits | | |
| Bank of Commerce | \$ | 7,353 |
| First National Bank | | 4,963 |
| Security State Bank | | 4,119 |
| US Treasury Securities: | | |
| First National Bank (Custodial) | | 525,000 |
| Time Deposits | | |
| Bank of Commerce | | 56,348 |
| First National Bank | | 2,823,797 |
| Component Unit | | <u>1,399,472</u> |

The accompanying notes are an integral part of this statement.

Statement 1

| Cash Receipts | Expenditures | Unencumbered Cash and Investment Balance (Deficit), June 30, 2011 | Outstanding Encumbrances and Accounts Payable | Cash and Investment Balance (Deficit), June 30, 2011 |
|--------------------------|----------------------|--|--|---|
| \$ 53,378 | \$ 65,392 | \$ 118,720 | \$ 0 | \$ 118,720 |
| 0 | 0 | 560,244 | 0 | 560,244 |
| <u>25,638,418</u> | <u>24,391,762</u> | <u>3,220,269</u> | <u>93,415</u> | <u>3,313,684</u> |
| 770,294 | 741,087 | 1,305,714 | 63,762 | 1,369,476 |
| 77,601 | 71,727 | 26,227 | 3,769 | 29,996 |
| <u>847,895</u> | <u>812,814</u> | <u>1,331,941</u> | <u>67,531</u> | <u>1,399,472</u> |
| <u>\$ 26,486,313</u> | <u>\$ 25,204,576</u> | <u>\$ 4,552,210</u> | <u>\$ 160,946</u> | <u>\$ 4,713,156</u> |

Composition of ending cash and investments - continued

| | |
|---|---------------------|
| Total cash and investments | 4,821,052 |
| Agency funds per Statement 4 | <u>(107,896)</u> |
| Total Reporting Entity (Excluding Agency Funds) | <u>\$ 4,713,156</u> |

Wellington Unified School District NO. 353

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
For the Year Ended June 30, 2011

| | <u>Certified Budget</u> | <u>Adjustment To Comply With Legal Max *</u> |
|--|-----------------------------|--|
| Governmental type funds | | |
| General funds | | |
| General | \$ 10,744,136 | \$ (265,417) |
| Supplemental general | 3,437,584 | 0 |
| Special revenue funds | | |
| At risk 4 yr old | 28,084 | 0 |
| At risk (K-12) | 1,536,596 | 0 |
| Capital outlay | 342,000 | 0 |
| Driver training | 27,770 | 0 |
| Food service | 833,025 | 0 |
| KPERS special retirement contribution fund | 830,561 | 0 |
| Special education | 3,110,550 | 0 |
| Vocational education | 420,000 | 0 |
| Recreation Commission | 370,000 | 0 |
| Recreation Commission Employee Benefits | 63,500 | 0 |
| Debt service funds | | |
| Bond and interest | 1,760,750 | 0 |
| Component unit | | |
| Recreation Commission - General | 1,969,503 | 0 |
| Recreation Commission - Employee Benefits | 73,750 | 0 |

* See definitions at Note II-A.

The accompanying notes are an integral part of this statement.

Statement 2

| <u>Adjustment for Qualifying Budget Credits *</u> | <u>Total Budget For Comparison</u> | <u>Expenditures Chargeable to Current Year</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|--|--|---|
| \$ 308,474 | \$ 10,787,193 | \$ 10,482,932 | \$ 304,261 |
| 0 | 3,437,584 | 3,437,584 | 0 |
| 0 | 28,084 | 23,622 | 4,462 |
| 0 | 1,536,596 | 1,476,020 | 60,576 |
| 0 | 342,000 | 313,747 | 28,253 |
| 0 | 27,770 | 26,661 | 1,109 |
| 0 | 833,025 | 788,371 | 44,654 |
| 0 | 830,561 | 623,843 | 206,718 |
| 0 | 3,110,550 | 2,981,830 | 128,720 |
| 0 | 420,000 | 356,149 | 63,851 |
| 0 | 370,000 | 404,119 | (34,119) |
| 0 | 63,500 | 77,602 | (14,102) |
| 0 | 1,760,750 | 1,760,750 | 0 |
| 0 | 1,969,503 | 741,087 | 1,228,416 |
| 0 | 73,750 | 71,727 | 2,023 |

Wellington Unified School District NO. 353

Statement 3

GENERAL FUNDS
GENERAL

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|---|----------------|--------------|---------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| Local sources | | | | |
| Ad valorem tax | \$ 1,035,059 | \$ 1,075,964 | \$ 948,015 | \$ 127,949 |
| Delinquent tax | 24,569 | 42,132 | 2,790 | 39,342 |
| Reimbursements | 41,884 | 3,039 | 0 | 3,039 |
| State sources | | | | |
| Motor Vehicle Tax | 61 | 60 | 0 | 60 |
| Mineral production tax | 2,020 | 3,020 | 0 | 3,020 |
| General State Aid | 7,161,542 | 7,210,825 | 7,569,553 | (358,728) |
| Special education aid | 1,816,204 | 1,924,512 | 2,049,343 | (124,831) |
| Federal Sources | | | | |
| Federal grants | 800 | 0 | 0 | 0 |
| Education jobs grant | 0 | 305,435 | 0 | 305,435 |
| ARRA Stabilization Funds | 450,002 | 174,435 | 174,435 | 0 |
| Total cash receipts | 10,532,141 | 10,739,422 | \$ 10,744,136 | \$ (4,714) |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 4,016,115 | 3,401,233 | \$ 4,000,000 | \$ 598,767 |
| Education jobs salaries | 0 | 305,435 | 0 | (305,435) |
| Non-Certified | 35,400 | 48,770 | 33,531 | (15,239) |
| Employee Benefits | | | | |
| Insurance | 401,854 | 445,938 | 355,000 | (90,938) |
| Social Security | 324,568 | 325,613 | 298,000 | (27,613) |
| Other Employee Benefits | 25,512 | 0 | 26,000 | 26,000 |
| Purchased Professional & Technical Services | 0 | 210 | 0 | (210) |
| Other Purchased Services | | | | |
| Other | 54 | 811 | 500 | (311) |
| Supplies | | | | |
| General Supplemental Teaching | 39,467 | 23,594 | 35,000 | 11,406 |
| Miscellaneous | 181 | 0 | 500 | 500 |
| Property | 0 | 400 | 0 | (400) |
| Student support services | | | | |
| Salaries | | | | |
| Certified | 67,679 | 70,673 | 59,000 | (11,673) |
| Employee Benefits | | | | |
| Insurance | 16,420 | 21,122 | 14,132 | (6,990) |
| Social Security | 0 | 0 | 16,000 | 16,000 |
| Purchased Professional & Technical Services | 165 | 43,359 | 500 | (42,859) |
| Other Purchased Services | 15,522 | 13,873 | 15,000 | 1,127 |
| Supplies | 4,629 | 1,060 | 4,500 | 3,440 |
| Property | 0 | 3,437 | 0 | (3,437) |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

GENERAL FUNDS
GENERALSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|--|----------------|-----------|------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Expenditures (Continued) | | | | |
| Instructional Support Staff | | | | |
| Salaries | | | | |
| Certified | \$ 101,865 | \$ 57,633 | \$ 112,000 | \$ 54,367 |
| Non-Certified | 66,035 | 87,433 | 68,000 | (19,433) |
| Employee Benefits | | | | |
| Insurance | 3,190 | 3,680 | 3,200 | (480) |
| Social Security | 14,342 | 10,666 | 14,000 | 3,334 |
| Other | 2,616 | 0 | 1,500 | 1,500 |
| Supplies | | | | |
| Books and Periodicals | 5,503 | 2,284 | 6,000 | 3,716 |
| Technical supplies | 0 | 278 | 0 | (278) |
| Misc supplies | 1,099 | 0 | 1,000 | 1,000 |
| General Administration | | | | |
| Salaries | | | | |
| Certified | 129,235 | 139,703 | 135,000 | (4,703) |
| Employee Benefits | | | | |
| Insurance | 14,966 | 14,627 | 15,000 | 373 |
| Social Security | 13,328 | 12,388 | 10,000 | (2,388) |
| Purchased Professional & Technical Services | 59,975 | 56,162 | 65,000 | 8,838 |
| Other Purchased Services | | | | |
| Insurance | 100 | 100 | 100 | 0 |
| Communications | 7,489 | 9,421 | 7,500 | (1,921) |
| Other | 3,696 | 4,656 | 3,500 | (1,156) |
| Supplies | 854 | 2,406 | 1,000 | (1,406) |
| Property | 0 | 15 | 0 | (15) |
| Other | 0 | 217 | 0 | (217) |
| School Administration | | | | |
| Salaries | | | | |
| Certified | 489,639 | 497,071 | 490,000 | (7,071) |
| Non-Certified | 152,867 | 195,587 | 155,000 | (40,587) |
| Employee Benefits | | | | |
| Insurance | 58,956 | 64,517 | 60,000 | (4,517) |
| Social Security | 48,995 | 47,488 | 50,000 | 2,512 |
| Other | 11,631 | 7,182 | 12,000 | 4,818 |
| Purchased Professional & Technical Services | 2,132 | 3,547 | 1,500 | (2,047) |
| Other Purchased Services | | | | |
| Communications | 11,662 | 7,992 | 10,000 | 2,008 |
| Other | 28 | 130 | 0 | (130) |
| Supplies | 12,599 | 10,132 | 10,000 | (132) |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

GENERAL FUNDS
GENERAL

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|---|----------------|------------|------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Expenditures (Continued) | | | | |
| Operation and maintenance | | | | |
| Salaries | | | | |
| Non-Certified | \$ 509,938 | \$ 495,869 | \$ 510,000 | \$ 14,131 |
| Employee Benefits | | | | |
| Insurance | 40,106 | 49,502 | 40,000 | (9,502) |
| Social Security | 38,429 | 37,243 | 38,500 | 1,257 |
| Other | 4,569 | 0 | 4,600 | 4,600 |
| Purchased Property Services | | | | |
| Water/Sewer | 38,281 | 44,754 | 38,500 | (6,254) |
| Cleaning | 12,983 | 24,895 | 13,000 | (11,895) |
| Repairs & Maintenance | 74,361 | 134,283 | 70,000 | (64,283) |
| Repair of Buildings | 23,460 | 31,593 | 24,000 | (7,593) |
| Other | 332 | 4,178 | 0 | (4,178) |
| Other Purchased Services | | | | |
| Insurance | 667 | 14,892 | 600 | (14,292) |
| Supplies | | | | |
| General Supplies | 42,765 | 62,285 | 45,000 | (17,285) |
| Electricity | 559,654 | 613,870 | 560,000 | (53,870) |
| Motor Fuel | 22,071 | 21,259 | 22,000 | 741 |
| Miscellaneous Supplies | 9,107 | 15,959 | 8,500 | (7,459) |
| Property | 120 | 597 | 0 | (597) |
| Vehicle operating services | | | | |
| Contracting of Bus Service | 277,302 | 262,810 | 285,000 | 22,190 |
| Motor Fuel | 16,767 | 37,482 | 20,000 | (17,482) |
| Mileage | 289 | 0 | 0 | 0 |
| Other supplemental services | | | | |
| Salaries | | | | |
| Non-Certified | 157,281 | 152,250 | 160,000 | 7,750 |
| Employee Benefits | | | | |
| Insurance | 63,103 | 64,807 | 62,000 | (2,807) |
| Social Security | 8,052 | 9,249 | 9,000 | (249) |
| Other | 34,556 | 57,183 | 950 | (56,233) |
| Purchased Professional & Technical Services | 261 | 121 | 500 | 379 |
| Purchased Property Services | 0 | 7,321 | 0 | (7,321) |
| Other Purchased Services | 7,667 | 12,071 | 8,000 | (4,071) |
| Supplies | 44,038 | 23,058 | 12,000 | (11,058) |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3GENERAL FUNDS
GENERALSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|---|----------------|--------------|---------------|--|
| | | Actual | Budget | |
| Expenditures (Continued) | | | | |
| Transfers to: | | | | |
| At Risk (4 yr old) Fund | \$ 28,084 | \$ 23,622 | \$ 28,084 | \$ 4,462 |
| At Risk (K-12) Fund | 478,000 | 0 | 536,596 | 536,596 |
| Special Education Fund | 1,816,204 | 1,924,512 | 2,049,343 | 124,831 |
| Vocational Education Fund | 77,658 | 5,548 | 100,000 | 94,452 |
| Contingency Fund | 0 | 410,876 | 0 | (410,876) |
| Driver Training | 8,565 | 0 | 9,000 | 9,000 |
| Adjustments to comply with | | | | |
| legal max | 0 | 0 | (265,417) | (265,417) |
| Legal general fund budget | | | | |
| and expenditures | 10,555,038 | 10,482,932 | 10,478,719 | (4,213) |
| Adjustment for qualifying | | | | |
| budget credits | 0 | 0 | 308,474 | 308,474 |
| Total expenditures | 10,555,038 | 10,482,932 | \$ 10,787,193 | \$ 304,261 |
| Receipts over (under) expenditures | (22,897) | 256,490 | | |
| Unencumbered cash (deficit), July 1 | (868,999) | (891,896) | | |
| Cancelled prior year encumbrance | 0 | 385 | | |
| Unencumbered cash (deficit), June 30 | \$ (891,896) | \$ (635,021) | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

GENERAL FUNDS
SUPPLEMENTAL GENERALSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|-------------------------------------|------------------|------------------|---------------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| Local sources | | | | |
| Ad valorem tax | \$ 1,332,789 | \$ 1,223,192 | \$ 1,094,107 | \$ 129,085 |
| Delinquent tax | 33,443 | 49,052 | 3,624 | 45,428 |
| Motor vehicle tax | 150,868 | 169,767 | 172,308 | (2,541) |
| Recreational Vehicle Tax | 2,099 | 2,112 | 2,296 | (184) |
| Reimbursements | 8,379 | 0 | 0 | 0 |
| Other | 0 | 75 | 0 | 75 |
| State sources | | | | |
| Supplemental aid | 1,436,587 | 2,261,227 | 2,011,715 | 249,512 |
| Federal sources | | | | |
| ARRA | 478,000 | 0 | 0 | 0 |
| Total cash receipts | <u>3,442,165</u> | <u>3,705,425</u> | <u>\$ 3,284,050</u> | <u>\$ 421,375</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 699,482 | 295,561 | \$ 710,000 | \$ 414,439 |
| Employee Benefits | | | | |
| Insurance | 0 | 0 | 14,000 | 14,000 |
| Social Security | 13,289 | 10,176 | 15,000 | 4,824 |
| Supplies | | | | |
| General Supplemental | 183,942 | 150,151 | 185,000 | 34,849 |
| Property | 58,847 | 47,373 | 59,000 | 11,627 |
| Instruction Support Services | | | | |
| Salaries | | | | |
| Non-Certified | 133,332 | 145,758 | 133,000 | (12,758) |
| Employee Benefits | | | | |
| Social Security | 9,893 | 23,300 | 0 | (23,300) |
| Supplies | | | | |
| Technology Supplies | 255,381 | 145,738 | 248,584 | 102,846 |
| Miscellaneous Supplies | 0 | 23,205 | 10,000 | (13,205) |
| General Administration | | | | |
| Other | 0 | 301 | 0 | (301) |
| Operations and Maintenance | | | | |
| Supplies | | | | |
| Heating | 124,127 | 105,200 | 16,000 | (89,200) |
| Electricity | 0 | 0 | 130,000 | 130,000 |
| Other Purchased Services | | | | |
| Insurance | 174,091 | 169,829 | 175,000 | 5,171 |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

GENERAL FUNDS
SUPPLEMENTAL GENERALSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|--|---------------------|------------------|---------------------|--|
| | | Actual | Budget | |
| Transfers to: | | | | |
| Special Education Fund | \$ 581,407 | \$ 409,049 | \$ 422,000 | \$ 12,951 |
| Driver Training | 1,000 | 7,565 | 0 | (7,565) |
| Vocational Education Fund | 342,343 | 353,359 | 320,000 | (33,359) |
| Textbook and student materials | 0 | 75,000 | 0 | (75,000) |
| At Risk (K-12) Fund | 727,993 | 1,476,019 | 1,000,000 | (476,019) |
| Legal supplemental general fund budget and expenditures | 3,305,127 | 3,437,584 | 3,437,584 | 0 |
| Adjustment for qualifying budget credits | 0 | 0 | 0 | 0 |
| Total expenditures | <u>3,305,127</u> | <u>3,437,584</u> | <u>\$ 3,437,584</u> | <u>\$ 0</u> |
| Receipts over (under) expenditures | 137,038 | 267,841 | | |
| Unencumbered cash (deficit), July 1 | (358,733) | (221,695) | | |
| Cancelled prior year encumbrance | <u>0</u> | <u>332</u> | | |
| Unencumbered cash (deficit), June 30 | \$ <u>(221,695)</u> | \$ <u>46,478</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3SPECIAL REVENUE FUNDS
AT RISK 4 YR OLDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|--|----------------|---------------|------------------|--|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Transfer from General Fund | \$ 28,084 | \$ 23,622 | \$ <u>28,084</u> | \$ <u>(4,462)</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Purchased Professional & Technical Services | <u>28,084</u> | <u>23,622</u> | \$ <u>28,084</u> | \$ <u>4,462</u> |
| Receipts over (under) expenditures | 0 | 0 | | |
| Unencumbered cash, July 1 | <u>0</u> | <u>0</u> | | |
| Unencumbered cash, June 30 | \$ <u>0</u> | \$ <u>0</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
AT RISK (K-12)STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|--|----------------|-----------|--------------|--|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Other | | | | |
| Transfer from General | \$ 478,000 | \$ 0 | \$ 536,596 | \$ (536,596) |
| Transfer from Supplemental General Fund | 727,993 | 1,476,019 | 1,000,000 | 476,019 |
| Total cash receipts | 1,205,993 | 1,476,019 | \$ 1,536,596 | \$ (60,577) |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 821,568 | 1,039,977 | \$ 980,000 | \$ (59,977) |
| Non-Certified | 66,580 | 84,535 | 153,596 | 69,061 |
| Employee Benefits | | | | |
| Insurance | 1,421 | 0 | 10,000 | 10,000 |
| Social Security | 64,937 | 60,627 | 80,000 | 19,373 |
| Purchased Professional & Technical Services | 36,521 | 9,177 | 40,000 | 30,823 |
| Other Purchased Services | | | | |
| Tuition | 207,206 | 253,062 | 207,000 | (46,062) |
| Supplies | | | | |
| Miscellaneous supplies | 4,439 | 14,089 | 10,000 | (4,089) |
| General Supplemental (Teaching) | 56 | 426 | 5,000 | 4,574 |
| Other | 59 | 127 | 0 | (127) |
| Operations and Maintenance | | | | |
| Purchased Property Services | | | | |
| Water/Sewer | 393 | 276 | 1,000 | 724 |
| Supplies | | | | |
| General supplies | 12,242 | 13,724 | 50,000 | 36,276 |
| Total expenditures | 1,215,422 | 1,476,020 | \$ 1,536,596 | \$ 60,576 |
| Receipts over (under) expenditures | (9,429) | (1) | | |
| Unencumbered cash, July 1 | 9,430 | 1 | | |
| Unencumbered cash, June 30 | \$ 1 | \$ 0 | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
CAPITAL OUTLAY

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | | 2011 | | | |
|--|-------------------|-------------------|-------------------|----|----------------------|
| | 2010 | | | | Variance |
| | Actual | Actual | Budget | | Favorable |
| | | | | | (Unfavorable) |
| Cash receipts | | | | | |
| Local sources | | | | | |
| Ad Valorem Property | \$ 296,335 | \$ 308,245 | \$ 277,709 | \$ | 30,536 |
| Delinquent tax | 7,203 | 12,546 | 800 | | 11,746 |
| Other | 3,765 | 0 | 0 | | 0 |
| Motor Vehicle Tax | 41,013 | 44,664 | 45,415 | | (751) |
| Recreational Vehicle Tax | 569 | 558 | 605 | | (47) |
| Reimbursements | 4 | 82 | 0 | | 82 |
| Total cash receipts | <u>348,889</u> | <u>366,095</u> | <u>\$ 324,529</u> | \$ | <u>41,566</u> |
| Expenditures | | | | | |
| Instruction | | | | | |
| Property | 5,798 | 29,659 | \$ 6,000 | \$ | (23,659) |
| Student Support Services | | | | | |
| Property | 0 | 0 | 6,000 | | 6,000 |
| Instructional Support Staff | | | | | |
| Property | 11,500 | 780 | 12,000 | | 11,220 |
| Operation and maintenance | | | | | |
| Property | 16,520 | 2,769 | 18,000 | | 15,231 |
| Facility acquisition and services | | | | | |
| Site Improvement | 133,797 | 255,055 | 300,000 | | 44,945 |
| Repair and remodeling | 0 | 25,484 | 0 | | (25,484) |
| Total expenditures | <u>167,615</u> | <u>313,747</u> | <u>\$ 342,000</u> | \$ | <u>28,253</u> |
| Receipts over (under) expenditures | 181,274 | 52,348 | | | |
| Unencumbered cash, July 1 | <u>79,486</u> | <u>260,760</u> | | | |
| Unencumbered cash, June 30 | \$ <u>260,760</u> | \$ <u>313,108</u> | | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
CONTINGENCY RESERVE

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended June 30, 2011

| | <u>2010 Actual</u> | <u>2011 Actual</u> |
|------------------------------------|------------------------|------------------------|
| Cash receipts | | |
| Other | | |
| Transfer from General | \$ 0 | \$ 410,876 |
| Expenditures | | |
| Operations & Maintenance | | |
| Repair of Buildings | <u>5,071</u> | <u>16,349</u> |
| Receipts over (under) expenditures | (5,071) | 394,527 |
| Unencumbered cash, July 1 | <u>17,799</u> | <u>12,728</u> |
| Unencumbered cash, June 30 | <u>\$ 12,728</u> | <u>\$ 407,255</u> |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3SPECIAL REVENUE FUNDS
DRIVER TRAININGSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|---|-----------------|------------------|------------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| Local sources | | | | |
| Other | \$ 13,862 | \$ 12,978 | \$ 14,000 | \$ (1,022) |
| State sources | | | | |
| State safety aid | 4,400 | 6,734 | 9,800 | (3,066) |
| Transfers in | | | | |
| Transfer from General Fund | 8,565 | 0 | 9,000 | (9,000) |
| Transfer from Supplemental General Fund | 1,000 | 7,565 | 0 | 7,565 |
| Total cash receipts | <u>27,827</u> | <u>27,277</u> | <u>\$ 32,800</u> | <u>\$ (5,523)</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Non Certified | \$ 18,119 | \$ 17,892 | \$ 19,000 | \$ 1,108 |
| Employee Benefits | | | | |
| Insurance | 0 | 0 | 2,000 | 2,000 |
| Social Security | 1,636 | 1,369 | 0 | (1,369) |
| Other Employee Benefits | 118 | 0 | 120 | 120 |
| Supplies | | | | |
| General supplemental (teaching) | 102 | 121 | 200 | 79 |
| School administration | | | | |
| Salaries | | | | |
| Certified | 1,649 | 1,955 | 1,700 | (255) |
| Employee Benefits | | | | |
| Insurance | 0 | 0 | 200 | 200 |
| Social Security | 124 | 148 | 0 | (148) |
| Vehicle operations, maintenance services | | | | |
| Rental of Vehicles | 4,152 | 4,900 | 4,500 | (400) |
| Insurance | 0 | 276 | 50 | (226) |
| Total expenditures | <u>25,900</u> | <u>26,661</u> | <u>\$ 27,770</u> | <u>\$ 1,109</u> |
| Receipts over (under) expenditures | 1,927 | 616 | | |
| Unencumbered cash, July 1 | <u>7,846</u> | <u>9,773</u> | | |
| Unencumbered cash, June 30 | <u>\$ 9,773</u> | <u>\$ 10,389</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
FOOD SERVICESTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|------------------------------------|----------------|------------|------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| State Aid | \$ 9,054 | \$ 8,763 | \$ 8,162 | \$ 601 |
| Federal Aid | 485,958 | 496,837 | 454,385 | 42,452 |
| Mini Grant | 0 | 2,500 | 0 | 2,500 |
| Charges for Services | | | | |
| Student Sales (Lunch) | 268,898 | 244,856 | 284,565 | (39,709) |
| Student Sales (Breakfast) | 13,374 | 0 | 7,775 | (7,775) |
| Student Sales (Snacks) | 0 | 0 | 1,404 | (1,404) |
| Adult and Student Sales | 42,328 | 47,940 | 47,717 | 223 |
| Total cash receipts | 819,612 | 800,896 | \$ 804,008 | \$ (3,112) |
| Expenditures | | | | |
| Operations and Maintenance | | | | |
| Salaries | | | | |
| Non - Certified | 42,795 | 42,716 | \$ 43,000 | \$ 284 |
| Employee Benefits | | | | |
| Social Security | 3,038 | 3,013 | 4,000 | 987 |
| Other | 223 | 0 | 225 | 225 |
| Purchased Property Services | | | | |
| Other | 1,104 | 5,067 | 1,500 | (3,567) |
| Other Purchased Services | 302 | 623 | 300 | (323) |
| Supplies | | | | |
| Motor Fuel | 1,292 | 1,880 | 1,300 | (580) |
| Other | 37,345 | 46,050 | 45,000 | (1,050) |
| Food Service operation | | | | |
| Salaries | | | | |
| Non - Certified | 234,906 | 243,560 | 240,000 | (3,560) |
| Employee Benefits | | | | |
| Social Security | 16,514 | 17,160 | 0 | (17,160) |
| Other | 1,624 | 0 | 17,000 | 17,000 |
| Other Purchased Services | | | | |
| Insurance | 0 | 0 | 1,700 | 1,700 |
| Supplies | | | | |
| Food and Milk | 409,352 | 378,489 | 450,000 | 71,511 |
| Miscellaneous Supplies | 22,676 | 17,400 | 24,000 | 6,600 |
| Property | 6,467 | 28,385 | 3,500 | (24,885) |
| Other | 1,446 | 4,028 | 1,500 | (2,528) |
| Total expenditures | 779,084 | 788,371 | \$ 833,025 | \$ 44,654 |
| Receipts over (under) expenditures | 40,528 | 12,525 | | |
| Unencumbered cash, July 1 | 157,342 | 197,870 | | |
| Unencumbered cash, June 30 | \$ 197,870 | \$ 210,395 | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
KPERs SPECIAL RETIREMENT CONTRIBUTION FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | | 2011 | | | |
|------------------------------------|---------------|---------------|---------------|----|----------------------|
| | 2010 | | | | Variance |
| | Actual | Actual | Budget | | Favorable |
| | | | | | (Unfavorable) |
| Cash receipts | | | | | |
| State sources | | | | | |
| KPERs | \$ 735,010 | \$ 623,843 | \$ 830,561 | \$ | (206,718) |
| Expenditures | | | | | |
| Instruction | | | | | |
| Employee Benefits | 660,627 | 560,710 | \$ 710,156 | \$ | 149,446 |
| Student Support | | | | | |
| Employee Benefits | 5,954 | 5,053 | 16,405 | | 11,352 |
| Instructional Support | | | | | |
| Employee Benefits | 6,466 | 5,490 | 12,000 | | 6,510 |
| General Administration | | | | | |
| Employee Benefits | 7,865 | 6,675 | 12,000 | | 5,325 |
| School Administration | | | | | |
| Employee Benefits | 24,035 | 20,400 | 35,000 | | 14,600 |
| Other Supplemental Services | | | | | |
| Employee Benefits | 19,331 | 16,407 | 7,000 | | (9,407) |
| Operations and Maintenance | | | | | |
| Employee Benefits | 3,602 | 3,057 | 28,000 | | 24,943 |
| Food Service | | | | | |
| Employee Benefits | 7,130 | 6,051 | 10,000 | | 3,949 |
| Total expenditures | \$ 735,010 | \$ 623,843 | \$ 830,561 | \$ | 206,718 |
| Receipts over (under) expenditures | 0 | 0 | | | |
| Unencumbered cash, July 1 | 0 | 0 | | | |
| Unencumbered cash, June 30 | \$ 0 | \$ 0 | | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353**Statement 3****SPECIAL REVENUE FUNDS
PROFESSIONAL DEVELOPMENT****STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011**

| | <u>2010 Actual</u> | <u>2011 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Cash receipts | | |
| State Sources | | |
| Professional Development Aid | \$ 0 | \$ 0 |
| Expenditures | | |
| Support Services | | |
| Other Purchased Services | <u>477</u> | <u>0</u> |
| Receipts over (under) expenditures | (477) | 0 |
| Unencumbered cash, July 1 | <u>477</u> | <u>0</u> |
| Unencumbered cash, June 30 | <u>\$ 0</u> | <u>\$ 0</u> |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
SPECIAL EDUCATION

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|--|------------------|------------------|---------------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| Local Sources | | | | |
| Interest on Idle Funds | \$ 552 | \$ 1,305 | \$ 750 | \$ 555 |
| Reimbursements | 235 | 2,259 | 0 | 2,259 |
| State Sources | | | | |
| Deaf/Blind | 2,510 | 1,709 | 2,600 | (891) |
| Medicaid | 73,138 | 82,877 | 73,000 | 9,877 |
| Federal Sources | | | | |
| Special Ed Aid | 409,395 | 406,209 | 388,465 | 17,744 |
| Regular Aid | | | | |
| Other Reserve Grants in Aid | 18,415 | 18,121 | 17,376 | 745 |
| Private school | 0 | 1,256 | 0 | 1,256 |
| ARRA Funds | 203,827 | 203,827 | 203,827 | 0 |
| Transfers | | | | |
| Transfer from General | 1,816,204 | 1,924,512 | 2,049,343 | (124,831) |
| Transfer from Supplemental General | 581,407 | 409,049 | 422,000 | (12,951) |
| Total cash receipts | <u>3,105,683</u> | <u>3,051,124</u> | <u>\$ 3,157,361</u> | <u>\$ (106,237)</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 914,123 | 1,114,448 | \$ 975,000 | \$ (139,448) |
| Non - Certified | 989,805 | 788,296 | 1,000,000 | 211,704 |
| Employee Benefits | | | | |
| Social Security | 97,598 | 137,395 | 100,000 | (37,395) |
| Other | 67,964 | 53,262 | 15,000 | (38,262) |
| Purchased Professional and Technical Services | 45,008 | 32,732 | 46,000 | 13,268 |
| Other Purchased Services | | | | |
| Tuition | 436,544 | 398,475 | 160,000 | (238,475) |
| Other | 2,625 | 1,544 | 280,000 | 278,456 |
| Supplies | | | | |
| General Supplemental | 24,172 | 21,054 | 25,000 | 3,946 |
| Textbooks | 14 | 0 | 0 | 0 |
| Miscellaneous Supplies | 34 | 0 | 0 | 0 |
| Property | 0 | 47 | 0 | (47) |
| Student Support Services | | | | |
| Salaries | | | | |
| Certified | 185,394 | 125,249 | 186,000 | 60,751 |
| Employee Benefits | | | | |
| Social Security | 12,542 | 8,115 | 13,000 | 4,885 |
| Other | 2,123 | 0 | 2,200 | 2,200 |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
SPECIAL EDUCATIONSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|--|-------------------|-------------------|---------------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Expenditures (Continued) | | | | |
| General Administration | | | | |
| Salaries | | | | |
| Certified | \$ 76,481 | \$ 70,672 | \$ 78,000 | \$ 7,328 |
| Non - Certified | 34,382 | 34,926 | 35,000 | 74 |
| Employee Benefits | | | | |
| Social Security | 6,976 | 7,529 | 8,000 | 471 |
| Other | 627 | 0 | 750 | 750 |
| Purchased Professional and Technical Services | 0 | 805 | 0 | (805) |
| Other Purchased Services | 0 | 688 | 0 | (688) |
| Supplies | 103 | 6,798 | 200 | (6,598) |
| Other | 0 | 2,500 | 0 | (2,500) |
| Vehicle Operating Services | | | | |
| Other Purchased Services | | | | |
| Contracting of Bus Services | 169,676 | 172,773 | 170,000 | (2,773) |
| Mileage In Lieu of Trans | 12,882 | 0 | 13,000 | 13,000 |
| Supplies | | | | |
| Motor Fuel | 3,303 | 4,372 | 3,400 | (972) |
| Property | 0 | 150 | 0 | (150) |
| Total expenditures | <u>3,082,376</u> | <u>2,981,830</u> | <u>\$ 3,110,550</u> | <u>\$ 128,720</u> |
| Receipts over (under) expenditures | 23,307 | 69,294 | | |
| Unencumbered cash, July 1 | 363,460 | 386,767 | | |
| Cancelled prior year encumbrance | <u>0</u> | <u>34</u> | | |
| Unencumbered cash, June 30 | <u>\$ 386,767</u> | <u>\$ 456,095</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3SPECIAL REVENUE FUNDS
VOCATIONAL EDUCATIONSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|--|----------------|----------|------------|--|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Other | | | | |
| Transfer from General | \$ 77,658 | \$ 5,548 | \$ 100,000 | \$ (94,452) |
| Transfer from Supplemental General Fund | 342,343 | 353,359 | 320,000 | 33,359 |
| Total cash receipts | 420,001 | 358,907 | \$ 420,000 | \$ (61,093) |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 301,616 | 287,158 | \$ 302,000 | \$ 14,842 |
| Non - Certified | 12,258 | 13,154 | 12,500 | (654) |
| Employee Benefits | | | | |
| Insurance | 0 | 19 | 0 | (19) |
| Social Security | 25,046 | 17,582 | 25,000 | 7,418 |
| Other | 2,966 | 0 | 3,000 | 3,000 |
| Purchased Professional and Technical Services | 57,200 | 0 | 0 | 0 |
| Other Purchased Services | | | | |
| Tuition | 7,202 | 0 | 7,500 | 7,500 |
| Supplies | | | | |
| General Supplemental | 4,114 | 23,147 | 60,000 | 36,853 |
| Property | 9,651 | 15,089 | 10,000 | (5,089) |
| Total expenditures | 420,053 | 356,149 | \$ 420,000 | \$ 63,851 |
| Receipts over (under) expenditures | (52) | 2,758 | | |
| Unencumbered cash, July 1 | 52 | 0 | | |
| Unencumbered cash, June 30 | \$ 0 | \$ 2,758 | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353**Statement 3****SPECIAL REVENUE FUNDS
TEXTBOOK AND STUDENT MATERIAL REVOLVING - ACTUAL****STATEMENT OF CASH RECEIPTS AND EXPENDITURES
For the Year Ended June 30, 2011**

| | <u>2010 Actual</u> | <u>2011 Actual</u> |
|------------------------------------|-------------------------------|-------------------------------|
| Cash receipts | | |
| Local sources | | |
| Rental fees and books | \$ 97,438 | \$ 71,468 |
| Reimbursements | 459 | 0 |
| Other | | |
| Transfer from General | 0 | 75,000 |
| Total cash receipts | <u>97,897</u> | <u>146,468</u> |
| Expenditures | | |
| Instruction | | |
| Supplies | | |
| Textbooks | 170,386 | 139,844 |
| Support services | | |
| Miscellaneous supplies | | |
| Other material and supplies | 7,419 | 7,432 |
| Total expenditures | <u>177,805</u> | <u>147,276</u> |
| Receipts over (under) expenditures | (79,908) | (808) |
| Unencumbered cash, July 1 | 122,485 | 42,577 |
| Cancelled prior year encumbrance | 0 | 4,719 |
| Unencumbered cash, June 30 | <u>\$ 42,577</u> | <u>\$ 46,488</u> |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
RECREATION COMMISSION GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|------------------------------------|------------------|----------------|-------------------|--|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Taxes and shared revenue | | | | |
| Ad valorem property | \$ 307,142 | \$ 315,215 | \$ 294,474 | \$ 20,741 |
| Delinquent tax | 7,267 | 12,371 | 799 | 11,572 |
| Motor Vehicle tax | 41,290 | 44,459 | 45,251 | (792) |
| Recreational Vehicle tax | 589 | 571 | 603 | (32) |
| Total Cash Receipts | <u>356,288</u> | <u>372,616</u> | <u>\$ 341,127</u> | <u>\$ 31,489</u> |
| Expenditures | | | | |
| Community service operations | <u>440,776</u> | <u>404,119</u> | <u>\$ 370,000</u> | <u>\$ (34,119)</u> |
| Receipts over (under) expenditures | (84,488) | (31,503) | | |
| Unencumbered cash, July 1 | <u>115,991</u> | <u>31,503</u> | | |
| Unencumbered cash, June 30 | <u>\$ 31,503</u> | <u>\$ 0</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
RECREATION COMMISSION EMPLOYEE BENEFITS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|------------------------------------|-----------------|---------------|------------------|--|
| | | Actual | Budget | |
| Cash Receipts | | | | |
| Taxes and shared revenue | | | | |
| Ad valorem property | \$ 56,049 | \$ 60,769 | \$ 56,593 | \$ 4,176 |
| Delinquent tax | 1,416 | 2,415 | 145 | 2,270 |
| Motor Vehicle tax | 7,932 | 8,642 | 8,789 | (147) |
| Recreational Vehicle Tax | 110 | 108 | 118 | (10) |
| Total Cash Receipts | <u>65,507</u> | <u>71,934</u> | <u>\$ 65,645</u> | <u>\$ 6,289</u> |
| Expenditures | | | | |
| Community service operations | <u>95,000</u> | <u>77,602</u> | <u>\$ 63,500</u> | <u>\$ (14,102)</u> |
| Receipts over (under) expenditures | (29,493) | (5,668) | | |
| Unencumbered cash, July 1 | <u>35,161</u> | <u>5,668</u> | | |
| Unencumbered cash, June 30 | <u>\$ 5,668</u> | <u>\$ 0</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

SPECIAL REVENUE FUNDS
FEDERAL GRANTS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended June 30, 2011

| | <u>Title I</u> | <u>Title II - A Tech Literacy</u> | <u>Carl Perkins Grant</u> | <u>Title II Teacher Quality</u> |
|-------------------------------------|----------------|---------------------------------------|-------------------------------|-------------------------------------|
| Cash Receipts | | | | |
| Federal Aid | \$ 325,800 | \$ 1,316 | \$ 15,887 | \$ 55,465 |
| Reimbursements | 0 | 0 | 0 | 0 |
| ARRA | 248,919 | 7,958 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Total Cash Receipts | <u>574,719</u> | <u>9,274</u> | <u>15,887</u> | <u>55,465</u> |
| Expenditures | | | | |
| Instruction | | | | |
| Salaries | | | | |
| Certified | 571,696 | 0 | 0 | 17,874 |
| Employee Benefits | | | | |
| Social Security | 16,285 | 0 | 0 | 1,340 |
| Purchased Professional and | | | | |
| Technical Services | 1,128 | 1,266 | 4,092 | 73,205 |
| Other Purchased Services | 0 | 0 | 5,916 | 0 |
| Supplies | | | | |
| General Supplemental | 15,591 | 7,566 | 0 | 29 |
| Support Services | | | | |
| Salaries | | | | |
| Certified | 0 | 0 | 0 | 0 |
| Purchased Professional and | | | | |
| Technical Services | 0 | 0 | 0 | 0 |
| Other Purchased Services | 0 | 0 | 2,421 | 0 |
| Supplies | 0 | 0 | 0 | 0 |
| Other | 797 | 0 | 0 | 0 |
| Total Expenditures | <u>605,497</u> | <u>8,832</u> | <u>12,429</u> | <u>92,448</u> |
| Receipts over (under) Expenditures | (30,778) | 442 | 3,458 | (36,983) |
| Unencumbered cash (deficit), July 1 | <u>30,778</u> | <u>(1,112)</u> | <u>0</u> | <u>(2,064)</u> |
| Unencumbered cash, June 30 | \$ <u>0</u> | \$ <u>(670)</u> | \$ <u>3,458</u> | \$ <u>(39,047)</u> |

The accompanying notes are an integral part of this statement.

| <u>21st Century Grant</u> | <u>Technology Grant</u> | <u>Miscellaneous Grants</u> | <u>Totals June 30, 2011</u> | <u>Totals June 30, 2010</u> |
|-------------------------------|-----------------------------|---------------------------------|---------------------------------|---------------------------------|
| \$ 12,000 | \$ 0 | \$ 0 | \$ 410,468 | \$ 452,498 |
| 0 | 0 | 0 | 0 | 1,324 |
| 0 | 0 | 0 | 256,877 | 0 |
| <u>32,626</u> | <u>215,367</u> | <u>313,390</u> | <u>561,383</u> | <u>258,671</u> |
| <u>44,626</u> | <u>215,367</u> | <u>313,390</u> | <u>1,228,728</u> | <u>712,493</u> |
| 30,214 | 34,260 | 153,541 | 807,585 | 498,597 |
| 2,277 | 2,621 | 10,751 | 33,274 | 39,771 |
| 0 | 0 | 36,934 | 116,625 | 99,702 |
| 1,291 | 0 | 3,386 | 10,593 | 19,642 |
| 795 | 178,235 | 9,503 | 211,719 | 16,956 |
| 0 | 0 | 0 | 0 | 1,203 |
| 0 | 0 | 0 | 0 | 63 |
| 286 | 0 | 0 | 2,707 | 4,102 |
| 445 | 0 | 0 | 445 | 0 |
| <u>0</u> | <u>0</u> | <u>23,674</u> | <u>24,471</u> | <u>26,324</u> |
| <u>35,308</u> | <u>215,116</u> | <u>237,789</u> | <u>1,207,419</u> | <u>706,360</u> |
| 9,318 | 251 | 75,601 | 21,309 | 6,133 |
| <u>1,028</u> | <u>0</u> | <u>46,839</u> | <u>75,469</u> | <u>69,336</u> |
| <u>\$ 10,346</u> | <u>\$ 251</u> | <u>\$ 122,440</u> | <u>\$ 96,778</u> | <u>\$ 75,469</u> |

Wellington Unified School District NO. 353

Statement 3

DEBT SERVICE FUND
BOND AND INTEREST

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|------------------------------------|----------------|--------------|--------------|--|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Taxes and shared revenue: | | | | |
| Ad valorem tax | \$ 901,966 | \$ 924,816 | \$ 832,552 | \$ 92,264 |
| Delinquent tax | 30,384 | 41,105 | 2,436 | 38,669 |
| Motor vehicle tax | 134,503 | 136,342 | 138,725 | (2,383) |
| Recreational Vehicle tax | 1,919 | 1,750 | 1,848 | (98) |
| Earnings on Investments | 32,329 | 26,490 | 0 | 26,490 |
| State Aid | 803,909 | 827,554 | 827,553 | 1 |
| Total cash receipts | 1,905,010 | 1,958,057 | \$ 1,803,114 | \$ 154,943 |
| Expenditures | | | | |
| Principal | 740,000 | 840,000 | \$ 840,000 | \$ 0 |
| Interest | 1,046,465 | 920,750 | 920,750 | 0 |
| Commission & postage | 1,018 | 0 | 0 | 0 |
| Total expenditures | 1,787,483 | 1,760,750 | \$ 1,760,750 | \$ 0 |
| Receipts over (under) expenditures | 117,527 | 197,307 | | |
| Unencumbered cash, July 1 | 1,184,243 | 1,301,770 | | |
| Unencumbered cash, June 30 | \$ 1,301,770 | \$ 1,499,077 | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353**Statement 3****EXPENDABLE TRUST FUND
SCHOLARSHIPS****STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended June 30, 2011**

| | <u>2010</u> | <u>2011</u> |
|------------------------------------|-------------------|-------------------|
| | <u>Actual</u> | <u>Actual</u> |
| Cash receipts | | |
| Contributions and interest income | 45,376 | 53,378 |
| Expenditures | | |
| Scholarships awarded | <u>82,850</u> | <u>65,392</u> |
| Receipts over (under) expenditures | (37,474) | (12,014) |
| Unencumbered cash, July 1 | <u>168,208</u> | <u>130,734</u> |
| Unencumbered cash, June 30 | <u>\$ 130,734</u> | <u>\$ 118,720</u> |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 3

**CAPITAL PROJECTS FUND
CAPITAL PROJECTS - HIGH SCHOOL**

**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended June 30, 2011**

| | 2010 Actual | 2011 Actual |
|----------------------------|--------------------------|--------------------------|
| Unencumbered cash, July 1 | \$ <u>560,244</u> | \$ <u>560,244</u> |
| Unencumbered cash, June 30 | \$ <u><u>560,244</u></u> | \$ <u><u>560,244</u></u> |

The accompanying notes are an integral part of this statement.

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Wellington Unified School District NO. 353

Statement 4

AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTS

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended June 30, 2011

| <u>Fund</u> | <u>Cash Balance June 30, 2010</u> | <u>Cash Receipts</u> | <u>Cash Disbursements</u> | <u>Cash Balance June 30, 2011</u> |
|--------------------------------------|---|--------------------------|-------------------------------|---|
| Student Organization Accounts | | | | |
| High School | | | | |
| Band Club | \$ 409 | \$ 1,881 | \$ 1,798 | 492 |
| B.P.A. Club | 1,611 | 4,422 | 4,232 | 1,801 |
| Cheerleading | 5,570 | 14,478 | 7,453 | 12,595 |
| Circle of Friends | 505 | 389 | 894 | 0 |
| Crimson Dancers | 408 | 0 | 0 | 408 |
| Crusader Creator | 792 | 813 | 888 | 717 |
| Crusader Way | 2,415 | 1,843 | 2,149 | 2,109 |
| Drug Testing | 2,096 | 6,250 | 1,588 | 6,758 |
| Expanded Skills | 31 | 0 | 0 | 31 |
| FCA | 966 | 6,945 | 5,587 | 2,324 |
| FCCLA | 696 | 1,530 | 1,194 | 1,032 |
| FFA Club | 2,063 | 23,042 | 23,604 | 1,501 |
| FFA - Equine Program | 114 | 40 | 0 | 154 |
| FFA - National Convention | 90 | 0 | 0 | 90 |
| FFA - Plant Sale | 1,303 | 1,876 | 424 | 2,755 |
| Honor Society | 763 | 1,874 | 1,678 | 959 |
| Industrial Technology Projects | 0 | 407 | 407 | 0 |
| Junior Class | 2,037 | 8,103 | 8,785 | 1,355 |
| Key Club | 3,658 | 853 | 253 | 4,258 |
| Leadership | 0 | 175 | 0 | 175 |
| Library Club | 1,066 | 112 | 0 | 1,178 |
| MD (O'Bryan) | 213 | 1,149 | 333 | 1,029 |
| Music Festival | 12 | 0 | 12 | 0 |
| SADD | 208 | 753 | 897 | 64 |
| SAVE | 0 | 500 | 324 | 176 |
| Scoreboard Advertising | 8,506 | 1,435 | 5,662 | 4,279 |
| Special Ed Club | 336 | 0 | 0 | 336 |
| Speech Club | 603 | 9,726 | 9,987 | 342 |
| Sports Calendars | 8,692 | 4,050 | 5,721 | 7,021 |
| Sports Fundraiser | 13,053 | 31,772 | 31,845 | 12,980 |
| Student Assistant | 15 | 0 | 0 | 15 |
| Student Council | 9,402 | 12,621 | 13,583 | 8,440 |
| Vocal Music Club | 292 | 952 | 565 | 679 |
| WHS Newspaper | 170 | 0 | 0 | 170 |
| Yearbook Club | 8,650 | 6,674 | 8,620 | 6,704 |
| Total Wellington High School | 76,745 | 144,665 | 138,483 | 82,927 |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 4

AGENCY FUNDS
STUDENT ORGANIZATION ACCOUNTSSTATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended June 30, 2011

| <u>Fund</u> | <u>Cash Balance June 30, 2010</u> | <u>Cash Receipts</u> | <u>Cash Disbursements</u> | <u>Cash Balance June 30, 2011</u> |
|--|---|--------------------------|-------------------------------|---|
| Student Organization Funds: | | | | |
| Junior High School: | | | | |
| After School Club | \$ 3,025 | \$ 3,590 | \$ 5,567 | \$ 1,048 |
| Annual Club | 1,819 | 1,569 | 343 | 3,045 |
| Art Club | 731 | 0 | 0 | 731 |
| Basketball Club | 276 | 0 | 0 | 276 |
| Book Fair | 231 | 2,260 | 2,251 | 240 |
| Builders Club | 2,341 | 188 | 150 | 2,379 |
| Cheerleaders | 0 | 5,505 | 4,939 | 566 |
| Circle of Friends | 1,771 | 3,354 | 3,784 | 1,341 |
| French Club | 655 | 0 | 0 | 655 |
| Fund Raiser Club | 6,667 | 7,169 | 6,800 | 7,036 |
| Jersey Club | 2 | 2,749 | 2,645 | 106 |
| K.A.Y. Club | 1,344 | 0 | 0 | 1,344 |
| Library Club | 3,048 | 68 | 150 | 2,966 |
| Music Club | 434 | 0 | 0 | 434 |
| Student Council Club | 2,919 | 690 | 942 | 2,667 |
| Volleyball Club | 28 | 300 | 300 | 28 |
| Wrestling Club | 107 | 0 | 0 | 107 |
| Total Wellington Junior High | 25,398 | 27,442 | 27,871 | 24,969 |
| Total Student Organization Funds \$ | 102,143 \$ | 172,107 \$ | 166,354 \$ | 107,896 |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

DISTRICT ACTIVITY FUNDS

**STATEMENT OF CASH RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
For the Year Ended June 30, 2011**

| | <u>Unencumbered Cash Balance June 30, 2010</u> | <u>Prior Year Cancelled Encumbrances</u> |
|---|--|--|
| Gate receipts | | |
| Wellington High School Athletics | \$ 12,501 | \$ 0 |
| Wellington Junior High School Athletics | 21,118 | 0 |
| | <hr/> | <hr/> |
| Subtotal Gate Receipts | 33,619 | 0 |
| | <hr/> | <hr/> |
| School projects | | |
| Wellington High School | | |
| ACT Test Prep | 50 | 0 |
| Building Rental | 4,231 | 0 |
| Incentives | 11,531 | 0 |
| Parking Permits | 3,054 | 0 |
| Positive Behavior | 8 | 0 |
| PSAT/NMSQT | 0 | 0 |
| Returned Check | 90 | 0 |
| Wellington Junior High School | | |
| Interest | 510 | 0 |
| Vendor Club | 2,919 | 0 |
| Wellington Lincoln Elementary | | |
| Activities | 2,705 | 0 |
| Wellington Washington Elementary | | |
| Activities | 2,076 | 0 |
| Wellington Kennedy Elementary | | |
| Activities | 471 | 0 |
| Wellington Eisenhower Elementary | | |
| Activities | 676 | 0 |
| | <hr/> | <hr/> |
| Subtotal School Projects | 28,321 | 0 |
| | <hr/> | <hr/> |
| User Fees | | |
| Wellington High School | | |
| Computer Graphics | 0 | 0 |
| Graphic Arts | 0 | 0 |
| Misc Income | 113 | 0 |
| Student Class F | 0 | 0 |
| Student Overpay | 166 | 0 |
| WHS Student | 400 | 0 |
| Wellington Junior High School | | |
| 6th Technolgy | 0 | 0 |
| 7th Technology | 0 | 0 |
| 8th Technology | 0 | 0 |
| Agenda | 170 | 0 |
| Art | 0 | 0 |
| Band fees | 105 | 0 |
| Book rental | 2,739 | 0 |
| Drivers education | 0 | 0 |
| FACS | 0 | 0 |

The accompanying notes are an integral part of this statement.

Statement 5

| <u>Cash Receipts</u> | <u>Expenditures</u> | <u>Unencumbered Cash Balance June 30, 2011</u> | <u>Outstanding Encumbrances and Accounts Payable</u> | <u>Cash Balance June 30, 2011</u> |
|--------------------------|---------------------|--|--|---------------------------------------|
| \$ 65,648 | \$ 56,131 | \$ 22,018 | \$ 0 | \$ 22,018 |
| 13,628 | 9,418 | 25,328 | 0 | 25,328 |
| <u>79,276</u> | <u>65,549</u> | <u>47,346</u> | <u>0</u> | <u>47,346</u> |
| 5,250 | 5,250 | 50 | 0 | 50 |
| 1,881 | 742 | 5,370 | 0 | 5,370 |
| 17,486 | 17,352 | 11,665 | 540 | 12,205 |
| 295 | 0 | 3,349 | 0 | 3,349 |
| 0 | 0 | 8 | 0 | 8 |
| 195 | 195 | 0 | 0 | 0 |
| 90 | 0 | 180 | 0 | 180 |
| 399 | 816 | 93 | 0 | 93 |
| 4,882 | 2,390 | 5,411 | 0 | 5,411 |
| 7,006 | 5,164 | 4,547 | 0 | 4,547 |
| 9,197 | 7,904 | 3,369 | 0 | 3,369 |
| 10,180 | 8,596 | 2,055 | 0 | 2,055 |
| <u>8,867</u> | <u>7,080</u> | <u>2,463</u> | <u>0</u> | <u>2,463</u> |
| <u>65,728</u> | <u>55,489</u> | <u>38,560</u> | <u>540</u> | <u>39,100</u> |
| 3,357 | 3,357 | 0 | 0 | 0 |
| 1,018 | 1,018 | 0 | 0 | 0 |
| 236 | 334 | 15 | 0 | 15 |
| 15,548 | 15,548 | 0 | 0 | 0 |
| 89 | 85 | 170 | 0 | 170 |
| 19,138 | 19,138 | 400 | 0 | 400 |
| 96 | 96 | 0 | 0 | 0 |
| 62 | 62 | 0 | 0 | 0 |
| 62 | 62 | 0 | 0 | 0 |
| 1,310 | 1,480 | 0 | 0 | 0 |
| 588 | 588 | 0 | 0 | 0 |
| 216 | 321 | 0 | 0 | 0 |
| 11,026 | 13,565 | 200 | 0 | 200 |
| 13,150 | 13,150 | 0 | 0 | 0 |
| 280 | 280 | 0 | 0 | 0 |

Wellington Unified School District NO. 353

DISTRICT ACTIVITY FUNDS

**STATEMENT OF CASH RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
For the Year Ended June 30, 2011**

| | Unencumbered Cash Balance June 30, 2010 | Prior Year Cancelled Encumbrances |
|---|--|--|
| User Fees | | |
| Wellington Junior High School- continued | \$ | \$ |
| Lockers | 0 | 0 |
| Physical ed tow | 0 | 0 |
| Vocal fees | 0 | 0 |
| | | |
| Total User Fees | 3,693 | 0 |
| | | |
| Sales Tax | | |
| Wellington High School Sales Tax | 45 | 0 |
| Wellington Junior High School Sales Tax | 192 | 0 |
| | | |
| Total Sales Tax | 237 | 0 |
| | | |
| Total district activity funds | \$ 65,870 | \$ 0 |

The accompanying notes are an integral part of this statement.

Statement 5

| <u>Cash Receipts</u> | <u>Expenditures</u> | <u>Unencumbered Cash Balance June 30, 2011</u> | <u>Outstanding Encumbrances and Accounts Payable</u> | <u>Cash Balance June 30, 2011</u> |
|--------------------------|---------------------|--|--|---------------------------------------|
| \$ | \$ | \$ | \$ | \$ |
| 539 | 539 | 0 | 0 | 0 |
| 654 | 654 | 0 | 0 | 0 |
| 136 | 136 | 0 | 0 | 0 |
| <u>67,505</u> | <u>70,413</u> | <u>785</u> | <u>0</u> | <u>785</u> |
| 10,087 | 9,665 | 467 | 0 | 467 |
| 1,135 | 980 | 347 | 0 | 347 |
| <u>11,222</u> | <u>10,645</u> | <u>814</u> | <u>0</u> | <u>814</u> |
| <u>\$ 223,731</u> | <u>\$ 202,096</u> | <u>\$ 87,505</u> | <u>\$ 540</u> | <u>\$ 88,045</u> |

Wellington Unified School District NO. 353

Statement 6

COMPONENT UNIT
WELLINGTON RECREATION COMMISSION - GENERAL

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2010 Actual | 2011 | | Variance Favorable (Unfavorable) |
|---|----------------|--------------|--------------|--|
| | | Actual | Budget | |
| Cash receipts | | | | |
| Appropriation | \$ 440,776 | \$ 404,119 | \$ 299,500 | \$ 104,619 |
| Interest earnings | 19,876 | 12,890 | 8,000 | 4,890 |
| Operating Revenues | 349,364 | 353,285 | 350,000 | 3,285 |
| Total cash receipts | 810,016 | 770,294 | \$ 657,500 | \$ 112,794 |
| Expenditures | | | | |
| Administration | 424,988 | 440,518 | 408,309 | (32,209) |
| Programs | 179,303 | 184,340 | 290,500 | 106,160 |
| Facility maintenance | 31,362 | 35,180 | 44,000 | 8,820 |
| Capital outlay | 28,010 | 81,049 | 1,216,694 | 1,135,645 |
| Transfers | 0 | 0 | 10,000 | 10,000 |
| Total expenditures | 663,663 | 741,087 | \$ 1,969,503 | \$ 1,228,416 |
| Receipts over (under) expenditures | 146,353 | 29,207 | | |
| Unencumbered cash, July 1 as restated in note IV-G | 1,130,154 | 1,276,507 | | |
| Unencumbered cash, June 30 | \$ 1,276,507 | \$ 1,305,714 | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District NO. 353

Statement 6

COMPONENT UNIT
WELLINGTON RECREATION COMMISSION - EMPLOYEE BENEFITS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2011

| | 2011 | | | |
|--|------------------|------------------|---------------|--|
| | 2010 Actual | Actual | Budget | Variance Favorable (Unfavorable) |
| Cash receipts | | | | |
| Appropriation | \$ 95,000 | \$ 77,601 | \$ 63,500 | \$ 14,101 |
| Transfer from Recreation Commission | 0 | 0 | 10,250 | (10,250) |
| Total receipts | 95,000 | 77,601 | <u>73,750</u> | <u>3,851</u> |
| Expenditures | | | | |
| Retirement | 9,906 | 11,788 | 73,750 | 61,962 |
| Social security | 28,553 | 29,313 | 0 | (29,313) |
| Unemployment | 480 | 1,777 | 0 | (1,777) |
| Health insurance | 35,708 | 28,849 | 0 | (28,849) |
| Total expenditures | 74,647 | 71,727 | <u>73,750</u> | <u>2,023</u> |
| Receipts over (under) expenditures | 20,353 | 5,874 | | |
| Unencumbered cash, July 1 | 0 | 20,353 | | |
| Unencumbered cash, June 30 | <u>\$ 20,353</u> | <u>\$ 26,227</u> | | |

The accompanying notes are an integral part of this statement.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Unified School District Number 353 is a municipal corporation governed by an elected seven-member board. These financial statements present the primary government financial statements and do not include all the entities for which the District is considered to be financially accountable, as required by generally accepted accounting principles. The primary government is a legal entity and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. Component units of the District include the Unified School District No. 353 Recreation Commission. The Recreation Commission operates as a separate governing body, but the District levies the taxes for the Recreation Commission, and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928. The Recreation Commission cannot purchase real property, but can acquire real property by gift.

B. Basis of Accounting

Statutory Basis of Accounting. The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and expenditure would be charged in the fund from which the transfer is made.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the statutory basis of accounting.

Departure from Accounting Principles Generally Accepted in the United States of America. The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the District are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes and compensated absences are not presented in the financial statements.

C. Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the District.

General Funds - to account for all unrestricted resources except those required to be accounted for in other funds.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specific purposes.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Fund Descriptions - continued

Debt Service Fund - to account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Capital Projects Fund - to account for the proceeds of revenue sources that are restricted to expenditures for capital projects.

Agency Funds - to account for assets held as an agent for individuals, other governmental units, private organizations, and/or other funds.

D. Assets and Liabilities

1. Cash and Investments

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated monthly to designated funds. All investments are stated at cost.

2. Compensated Absences

Certified employees are provided 5 days of personal leave each school year. Classified full-time employees are provided 10 days paid vacation annually, after one full year of employment. All earned vacation time is to be taken from July 1 to June 30 of each fiscal year and cannot be accumulated. Hence, there is no estimated liability for accrued vacation pay at June 30, 2011. Certified employees are granted 11 days of leave per year with the ability to accumulate up to 120 days of sick leave if the days are not used in the current year. All classified employees shall accrue sick leave at a rate of one work day per month of active employment based on the number of hours normally worked. Personnel employed for more than nine months but less than twelve months shall accrue 10 days per year of sick leave. Sick leave may be accumulated up to 120 days for full time employees and 90 days for employees who do not work 120 months a year. Full time teachers who terminate or retire will not be paid for their unused sick leave. Full-time teachers who have served the district for five consecutive years are eligible to receive a severance payment upon leaving employment with Unified School District No. 353. Commencing with the 94-95 contract year, any teacher new to the district must serve in the district for 10 consecutive years to be eligible to receive a severance payment upon leaving employment with Unified School District No. 353. Commencing with the 98-99 contract year, any teacher new to the district must serve in the district for 15 years to be eligible to receive a severance payment upon leaving employment with Unified School District No. 353. The severance amount accrued at \$300 per year of service will be paid as a lump sum payment in June following resignation or retirement. Full-time classified employees who have worked for Unified School District No. 353 fifteen years or more receive \$30 a day for all unused sick leave. The estimated liability at June 30, 2011, if all employees with accrued sick leave and severance pay benefits meeting the criteria set forth above were to terminate employment or retire, would be \$271,750. It is the policy of the District to record sick leave benefits as expenditures when paid.

E. Receipts and Expenditures

1. Ad Valorem Tax Revenue

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the District by January 20. The second half is due May 10 and distributed to the District by June 5. The District Treasurer draws other available funds from the County Treasurer at designated times throughout the year.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

E. Receipts and Expenditures - continued

2. Reimbursements

The District records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

3. Comparative Prior Year Amounts

The 2010 actual amounts presented in the financial statements have been taken from the audit report for the year ended June 30, 2010 and are presented for comparative purposes only. Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

4. State aid Distribution

Per Kansas statute, all school districts are required to record, as received by June 30 of each fiscal year, all required state aid distributions for that year made by the Kansas Department of Education, regardless of when received by the District.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special revenue funds (unless specifically exempted by statute) and the debt service fund. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a) The District meets prior to August 1 each year to prepare a budget for the following year.
- b) The budget hearing should be held no sooner than 10 days after having given notice of hearing by publishing the budget and notice of hearing in a weekly or daily newspaper of the county having general circulation within the District.
- c) The hearing is held at least 10 days prior to the date the District shall certify their annual levies to the county clerk.
- d) An electronic copy or two paper copies of the budget with signed certificate and proof of publication with the location, date and time of the hearing will be given to the county clerk once the budget hearing has been held and the budget approved by the governing body of the District.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued

A. Budgetary Information - continued

Adjustment to Comply with Legal Max - Unified school districts should use this line item (for use in the budget column only) to adjust the certified budget to comply with the "Legal Max" budget. The State Board of Education calculates the "Legal Max" budget using enrollment figures. The district's budgeted expenditures are limited to the lower of the published budget or the "Legal Max" budget.

Adjustment for Qualifying Budget Credits - Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds, agency funds and the following special revenue funds:

| | |
|--|-----------------------------|
| Contingency | State Grants Fund |
| Textbook and student material revolving | Gate Receipts Fund |
| Federal Projects Funds | School Projects Fund |

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

B. Legal Debt Margin

The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding August 25. Additional authority may be granted by the Kansas State Board of Education. At June 30, 2011, the statutory limit for the District was \$7,895,974 thus creating an excess over the limit of \$15,844,026. The outstanding bond principal represents 42.09% of the District valuation. The District obtained permission from the Kansas State Board of Education to issue bonds in excess of its statutory limit.

C. Compliance with Laws and Regulations

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and reports and interpretation by the County Attorney and legal representation of the District. The following funds had a deficit unencumbered cash balance at June 30, 2011: General fund (\$629,822). These deficits are due to the cash basis presentation which records the last state aid received in July of 2011 as July receipts contrary to statute and contrary to the District's spending guidelines. The funds Title IIA and Title II both had deficits in unencumbered cash, directly related serving as reimbursement accounts for federal grants. Monies have been collected for these accounts after June 30, 2011.

The Recreation Commission Fund and the Recreation Commission Employee Benefits Fund exceeded budget in violation of Kansas Statutes for the year ended June 30, 2011.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit investment choices.

Custodial credit risk – deposits. Custodial credit risk is the risk in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas District, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District did not have any designated "peak periods" for the current year. All deposits were legally secured at June 30, 2011.

At June 30, 2011, the District's carrying amount of deposits, including certificates of deposit and cash on hand but not investments, was \$2,896,580 and the bank balance was \$4,087,854. The difference between carrying amount and bank balance is outstanding checks and deposits. The majority of the bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$572,179 was covered by FDIC insurance and \$3,515,675 was collateralized with securities held by the pledging financial institutions' agent in the District's name.

Investments

Policy - Kansas statutes authorize the District to invest in U.S. Treasury bills and notes, repurchase agreements, and the State Municipal Investment Pool. All investments must be insured, registered, or held by the District or its agent in the District's name. Since the District's records are maintained on the modified cash basis, Statement 1 reports the investment balance at cost and any gain (loss) on investments is recognized at the point of sale.

Credit Risk - The District has no policy regarding limiting investments based upon nationally recognized statistical ratings. Investments in U.S. Government Agencies are rated AAA by Standard & Poor's.

Interest Rate Risk - Per Kansas statutes, maturities of investments shall not exceed two years. The District's investments are in compliance with this statute.

Concentration Credit Risk - The District places no limit on the amount the District may invest in any one issuer. GASB Statement 40 requires disclosure when the percent is 5% or more in any one issuer. The investments in Federal Home Loan Bank were 25%, the investments in Federal Home Loan Mortgage Corporation were 11%, the investments in Federal National Mortgage Association were 12%, the investments in Federal Farm Credit Bank were 18%, and the investments in United States Treasury Notes were 21%. Given the investment types have the highest possible rating; the additional concentration is not viewed to be an additional risk.

B. Operating Leases

The District conducts a portion of its operations utilizing operating leases for copiers and buildings. Lease terms expire at various times. Current year rental payments under operating leases were \$24,795. There are no minimum future rental payments for operating leases as of June 30, 2011.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

III. DETAILED NOTES ON ALL FUNDS – continued

C. General Long-Term Debt

Long-term obligations consisted of the following during the year:

| Issue | Interest Rates | Date of Issue | Original Issue | Date of Final Maturity |
|--------------------|----------------|---------------|----------------|------------------------|
| General Obligation | | | | |
| Series 2001 | 4.5% - 7.5% | 8/15/2001 | \$ 9,850,000 | 9/1/2026 |
| Series 2002 | 5.50% | 5/1/2002 | 17,050,000 | 9/1/2010 |
| Series 2006 | 3.5% - 4.2% | 4/1/2006 | 9,995,000 | 9/1/2026 |
| Series 2007 | 3.65% - 4.0% | 1/1/2007 | 9,735,000 | 9/1/2024 |
| Series 2010 | 2.00% | 4/1/2010 | 2,940,000 | 9/1/2014 |
| Capital Leases | | | | |
| Computers | 5.56% | 7/1/2007 | 276,000 | 8/27/2010 |

Changes in long-term liabilities for the Wellington Unified School District for the year ended June 30 were as follows:

| | Balance July 1, 2010 | Additions | Reductions/ Payments | Balance June 30, 2011 | Interest Paid |
|--------------------|----------------------------|-------------|-------------------------|-----------------------------|-------------------|
| General Obligation | | | | | |
| Series 2001 | \$ 1,860,000 | \$ 0 | \$ 265,000 | \$ 1,595,000 | \$ 81,713 |
| Series 2002 | 455,000 | 0 | 455,000 | 0 | 10,238 |
| Series 2006 | 9,850,000 | 0 | 30,000 | 9,820,000 | 405,490 |
| Series 2007 | 9,475,000 | 0 | 50,000 | 9,425,000 | 369,813 |
| Series 2010 | 2,940,000 | 0 | 40,000 | 2,900,000 | 53,500 |
| | <u>24,580,000</u> | <u>0</u> | <u>840,000</u> | <u>23,740,000</u> | <u>920,754</u> |
| Capital Leases | | | | | |
| Computers | <u>24,795</u> | <u>0</u> | <u>24,795</u> | <u>0</u> | <u>231</u> |
| | <u>\$ 24,604,795</u> | <u>\$ 0</u> | <u>\$ 864,795</u> | <u>\$ 23,740,000</u> | <u>\$ 920,985</u> |

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

III. DETAILED NOTES ON ALL FUNDS - continued

C. General Long-Term Debt – continued

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

| <u>Year</u> | <u>General Obligation</u> | |
|-------------|---------------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> |
| 2012 | \$ 890,000 | \$ 891,013 |
| 2013 | 955,000 | 868,125 |
| 2014 | 995,000 | 847,030 |
| 2015 | 1,045,000 | 821,383 |
| 2016 | 1,135,000 | 783,783 |
| 2017-2021 | 6,730,000 | 3,187,969 |
| 2022-2026 | 8,845,000 | 1,637,838 |
| 2027-2031 | 3,145,000 | 67,283 |
| | <u>\$ 23,740,000</u> | <u>\$ 9,104,424</u> |

D. Other Long-Term Obligations

Changes in long-term obligations, other than debt, for the year ended June 30, 2011, are as follows:

| | <u>Balance July 1, 2010</u> | <u>Net Change</u> | <u>Balance June 30, 2011</u> |
|----------------------|-------------------------------------|-----------------------|--------------------------------------|
| Compensated absences | \$ 297,496 | \$ (25,746) | \$ 271,750 |

Compensated absences are paid by the fund from which the employee is normally paid.

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas currently contributes 9.17% of covered payroll. These contribution requirements are established by KPERS and are periodically revised. Kansas' contributions to KPERS for all Kansas public school employees for the years ending June 30, 2011, 2010, and 2009, were \$253,834,044, \$248,468,186, and \$242,277,363, respectively, equal to the required contributions for each year.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

IV. OTHER INFORMATION - continued

B. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

C. Flexible Benefit Plan (I.R.C. Section 125)

The Board adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All employees of the District who work 17.5 hours per week in a school year position or .45 FTE are eligible to participate in the Plan beginning the first of the month following 30 days of employment. Each participant may elect to reduce his or her salary by an elected amount per month, or have a specific amount deducted, to purchase benefits offered through the Plan. Currently, benefits offered through the Plan include insurance coverage, medical reimbursement, and dependent care reimbursement.

D. Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the District at June 30, 2011.

E. Interfund Transfers

Operating transfers were as follows:

| <u>From</u> | <u>To</u> | <u>Statutory Authority</u> | <u>Amount</u> |
|----------------------|----------------------|--------------------------------|---------------------|
| General | At-Risk (4 yr old) | K.S.A. 72-6428 | \$ 23,622 |
| General | Special Education | K.S.A. 72-6428 | 1,924,512 |
| General | Contingency | K.S.A. 72-6428 | 410,876 |
| General | Vocational Education | K.S.A. 72-6433 | 5,548 |
| Supplemental General | Drivers Training | K.S.A. 72-6428 | 7,565 |
| Supplemental General | Textbook and student | K.S.A. 72-6433 | 75,000 |
| Supplemental General | Vocational Education | K.S.A. 72-6433 | 353,359 |
| Supplemental General | At-Risk (K-12) | K.S.A. 72-6428 | 1,476,019 |
| Supplemental General | Special Education | K.S.A. 72-6428 | 409,049 |
| | | | <u>\$ 4,685,550</u> |

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

IV. OTHER INFORMATION - continued

F. Subsequent Events

The entity evaluated subsequent events through January 17, 2012, the date the financial statements were available to be issued. No subsequent events were identified.

G. Prior Period Adjustment

The June 30, 2010 unencumbered ending cash balance for the Recreation Commission General Fund as shown on Statement 6 has been restated to include previously unrecorded liabilities in the amount of \$11,118.35.

H. Subsequent Event

Subsequent to the year end, USD #353 was informed by the Sumner County Treasurer that the district had received tax payments of \$379,555.90 in excess of the correct amounts during the 2009-2010 and 2010-2011 school years. The county treasurer also stated her intention to withhold the total amount from the 2011-2012 school year tax distribution and that the district would receive no tax distributions in the 2011-2012 school year until at least January 2012.

As a result of these local tax overpayments, the District has overstated its local effort in the General Fund over the last two fiscal years, resulting in a temporary \$119,105.63 decrease in State Aid for the 2009-2010 and 2010-2011 school years. Fortunately, because of the State's General Fund aid calculator procedures, this shortage will eventually be restored to the District general fund..

Unfortunately, such an adjustment will not be the case in regard to the Local Option Budget Fund. The District has been informed by the State Department of Education that \$133,507.99 will need to be cut from Local Option Budget funds otherwise distributable to the District, without the possibility of restoration by the State.

The District has attempted to obtain the payments due from Sumner County but to date has been unsuccessful. Tax collections for all District funds are being withheld.

I. Compliance With K.S.A. 72-6417 (d) and K.S.A. 72-6434 (d)

K.S.A. 72-6417(d) and K.S.A. 72-6434(d) require the school district to record any payment of general state aid that is due to be paid during the month of June and is paid to the school district after June 30, as a receipt for the school year ending on June 30. The following shows the revenue as required by these Statutes.

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

IV. OTHER INFORMATION - continued

I. Compliance With K.S.A. 72-6417 (d) and K.S.A. 72-6434 (d) - continued

GENERAL FUND

STATUTORY REVENUE AND EXPENDITURES - STATUTORY AND BUDGET

For the Year Ended June 30, 2011

| | 2010 | 2011 | | Variance Favorable (Unfavorable) |
|---|-----------------------------------|-----------------------------------|----------------------|---|
| | Statutory Transactions | Statutory Transactions | Budget | |
| Statutory revenues | | | | |
| Local sources | | | | |
| Ad valorem tax | \$ 1,035,059 | \$ 1,075,964 | \$ 948,015 | \$ 127,949 |
| Delinquent tax | 24,569 | 42,132 | 2,790 | 39,342 |
| Reimbursements | 41,884 | 3,039 | 0 | 3,039 |
| State sources | | | | |
| Motor Vehicle Tax | 61 | 60 | 0 | 60 |
| Mineral production tax | 2,020 | 3,020 | 0 | 3,020 |
| General State Aid | 7,184,439 | 6,953,950 | 7,569,553 | (615,603) |
| Special education aid | 1,816,204 | 1,924,512 | 2,049,343 | (124,831) |
| Federal Sources | | | | |
| Federal Grants | 800 | 0 | 0 | 0 |
| Education Jobs grant | 0 | 305,435 | 0 | 305,435 |
| ARRA Stabilization funds | 450,002 | 174,435 | 174,435 | 0 |
| Total statutory revenues | <u>10,555,038</u> | <u>10,482,547</u> | <u>\$ 10,744,136</u> | <u>\$ (261,589)</u> |
| Expenditures | | | | |
| Instruction | 4,843,151 | 4,552,004 | \$ 4,748,531 | \$ 196,527 |
| Student support services | 104,415 | 153,524 | 109,132 | (44,392) |
| Instructional support staff | 194,650 | 161,974 | 205,700 | 43,726 |
| General administration | 229,643 | 239,695 | 237,100 | (2,595) |
| School administration | 788,509 | 833,646 | 788,500 | (45,146) |
| Operations and maintenance | 1,376,843 | 1,551,179 | 1,374,700 | (176,479) |
| Vehicle operating services | 294,358 | 300,292 | 305,000 | 4,708 |
| Other Supplemental Services | 314,958 | 326,060 | 252,450 | (73,610) |
| Transfers to | | | | |
| At Risk (4 yr old) Fund | 28,084 | 23,622 | 28,084 | 4,462 |
| At Risk (K-12) Fund | 478,000 | 0 | 536,596 | 536,596 |
| Special Education Fund | 1,816,204 | 1,924,512 | 2,049,343 | 124,831 |
| Vocational Education Fund | 77,658 | 5,548 | 100,000 | 94,452 |
| Contingency Fund | 0 | 410,876 | 0 | (410,876) |
| Driver Training | 8,565 | 0 | 9,000 | 9,000 |
| Adjustment to comply with legal max | <u>0</u> | <u>0</u> | <u>(265,417)</u> | <u>(265,417)</u> |
| Legal operating budget and expenditures | <u>10,555,038</u> | <u>10,482,932</u> | <u>10,478,719</u> | <u>(4,213)</u> |
| Adjustment for qualifying budget credits | <u>0</u> | <u>0</u> | <u>308,474</u> | <u>308,474</u> |
| Total expenditures | <u>10,555,038</u> | <u>10,482,932</u> | <u>\$ 10,787,193</u> | <u>\$ 304,261</u> |
| Receipts over (under) expenditures | 0 | (385) | | |
| Modified unencumbered cash, July 1 | 0 | 0 | | |
| Cancelled prior year encumbrance | 0 | 385 | | |
| Modified unencumbered cash, June 30 | <u>\$ 0</u> | <u>\$ 0</u> | | |

Wellington Unified School District Number 353

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

V. OTHER INFORMATION - continued

I. Compliance With K.S.A. 72-6417 (d) and K.S.A. 72-6434 (d) - continued

SUPPLEMENTAL GENERAL FUND

STATUTORY REVENUE AND EXPENDITURES - STATUTORY AND BUDGET

For the Year Ended June 30, 2011

| | 2010 | 2011 | | |
|---|---------------------------|---------------------------|---------------------|--|
| | Statutory Transactions | Statutory Transactions | Budget | Variance Favorable (Unfavorable) |
| Statutory revenues | | | | |
| Local sources | | | | |
| Ad valorem tax | \$ 1,332,789 | \$ 1,223,192 | \$ 1,094,107 | \$ 129,085 |
| Delinquent tax | 33,443 | 49,052 | 3,624 | 45,428 |
| Motor vehicle tax | 150,868 | 169,767 | 172,308 | (2,541) |
| Recreational Vehicle Tax | 2,099 | 2,112 | 2,296 | (184) |
| Reimbursements | 8,379 | 0 | 0 | 0 |
| Other | 0 | 75 | 0 | 75 |
| State sources | | | | |
| Supplemental aid | 1,406,878 | 2,005,155 | 2,011,715 | (6,560) |
| Federal Sources | | | | |
| ARRA Funds | 478,000 | 0 | 0 | 0 |
| Total statutory revenues | <u>3,412,456</u> | <u>3,449,353</u> | <u>\$ 3,284,050</u> | <u>\$ 165,303</u> |
| Expenditures | | | | |
| Instruction | 955,560 | 503,261 | \$ 983,000 | \$ 479,739 |
| Instruction support services | 398,606 | 338,001 | 391,584 | 53,583 |
| General Administration | 0 | 301 | 0 | (301) |
| Operations and maintenance | 298,218 | 275,029 | 321,000 | 45,971 |
| Transfers to | | | | |
| Special Education Fund | 581,407 | 409,049 | 422,000 | 12,951 |
| Drivers Training | 1,000 | 7,565 | 0 | (7,565) |
| Vocational Education Fund | 342,343 | 353,359 | 320,000 | (33,359) |
| Textbook and student material Fund | 0 | 75,000 | 0 | (75,000) |
| At Risk (K-12) Fund | 727,993 | 1,476,019 | 1,000,000 | (476,019) |
| Legal operating budget and expenditures | 3,305,127 | 3,437,584 | 3,437,584 | 0 |
| Adjustment for qualifying budget credits | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total expenditures | <u>3,305,127</u> | <u>3,437,584</u> | <u>\$ 3,437,584</u> | <u>\$ 0</u> |
| Receipts over (under) expenditures | 107,329 | 11,769 | | |
| Modified unencumbered cash, July 1 | 46,205 | 153,534 | | |
| Cancelled prior year encumbrance | <u>0</u> | <u>332</u> | | |
| Modified unencumbered cash, June 30 | <u>\$ 153,534</u> | <u>\$ 165,635</u> | | |

SUPPLEMENTARY INFORMATION

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Wellington Unified School District No. 353

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

(Budgeted Funds Only)

For the Year Ended June 30, 2011

| Federal Grantor/ Pass-through Grantor/ Program Title | Federal CFDA Number | Revenues | Expenditures |
|---|------------------------------------|---------------------|---------------------|
| <u>U.S. Department of Education</u> | | | |
| <u>Passed-through Kansas Department of Education</u> | | | |
| Title VI EHC-Flo-Through | 84.027 | \$ 388,465 | \$ 388,465 |
| Title VI EHC-Flow-Through Disc | 84.027 | 18,708 | 18,708 |
| Title VI EHC-Flo-Through Preschool | 84.173 | 18,413 | 18,413 |
| Title I - Low Income | 84.010 | 325,800 | 325,800 |
| Title I - Low Income | 84.389 | * 248,919 | 248,919 |
| Stabilization | 84.394 | * 174,435 | 174,435 |
| Education Jobs | 84.410 | * 305,435 | 305,435 |
| Program Improvement | 84.048 | 15,887 | 12,429 |
| Special Education Part B Preschool | 84.392 | * 8,238 | 8,238 |
| Special Education Part B Grants | 84.391 | * 195,589 | 195,589 |
| State Personnel Development Grant | 84.323 | 1,800 | 1,800 |
| Title II A - Improving Teacher Quality | 84.367 | 53,665 | 53,665 |
| Title II D - Tech Literature | 84.318 | 1,316 | 874 |
| Title II D - Tech Literature | 84.386 | * 7,958 | 7,958 |
| Title IV - 21st Century Community | 84.287 | 12,000 | 12,000 |
| Total U.S. Department of Education | | <u>1,776,628</u> | <u>1,772,728</u> |
| <u>U.S. Department of Agriculture</u> | | | |
| <u>Passed-through Kansas Department of Education</u> | | | |
| School Breakfast Program | 10.553 | 81,611 | 81,611 |
| National School Lunch Program | 10.555 | 353,429 | 353,429 |
| National School Lunch Section 11 | 10.555 | 6,208 | 6,208 |
| Cash for Commodities | 10.555 | 45,892 | 45,892 |
| Team Nutrition | 10.574 | 9,695 | 9,695 |
| Total U.S. Department of Agriculture | | <u>496,835</u> | <u>496,835</u> |
| Total Revenue and Expenditures of Federal Awards | | \$ <u>2,273,463</u> | \$ <u>2,269,563</u> |
| * Total ARRA Money | | <u>940,574</u> | <u>940,574</u> |

The above schedule was prepared using the statutory basis of accounting which demonstrates compliance with the cash basis and budget laws of the State of Kansas.

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SPECIAL REPORTS

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Unified School District #353
Wellington, Kansas

We have audited the financial statements of Unified School District #353 as of and for the year ended June 30, 2011, and have issued our report thereon dated January 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Unified School District #353's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of Unified School District #353's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Unified School District #353's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Unified School District #353's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain matters involving the internal control over financial reporting that we have reported to management in a separate letter dated January 17, 2012.

This report is intended solely for the information and use of the District's management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Agler & Gaeddert, Chartered

January 17, 2012
Emporia, Kansas

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education
Unified School District #353
Wellington, Kansas

Compliance

We have audited the compliance of Unified School District #353 (a nonprofit corporation) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. Unified School District #353's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Unified School District #353's management. Our responsibility is to express an opinion on Unified School District #353 compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Unified School District #353's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Unified School District #353's compliance with those requirements.

As described in item 2011-1 in the accompanying schedule of findings and questioned costs, Unified School District #353 did not comply with requirements regarding completion of comprehensive student evaluations every three years. Compliance with such requirements is necessary, in our opinion, for Unified School District #353 to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Unified School District #353 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control over Compliance

The management of Unified School District #353 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Unified School District #353's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of Unified School District #353's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain

deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-1 to be significant deficiencies.

Unified School District #353's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Unified School District #353's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Education, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Agler + Gaeddert, Chartered

January 17, 2012
Emporia, Kansas

Unified School District #353

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2011

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? No

Significant deficiencies identified not considered to be material weaknesses: None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? No

Significant deficiencies identified not considered to be material weaknesses: Yes

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a): Yes

Indication of major programs:

| <u>CFDA</u> | <u>Name of Federal Program or Cluster</u> | <u>Amount</u> |
|-------------|---|---------------|
| 10.553 | School Breakfast Program | \$ 81,611 |
| 10.555 | National School Lunch Program | 353,429 |
| 10.555 | National School Lunch Section 11 | 6,208 |
| 10.555 | Cash for Commodities | 45,892 |
| 10.574 | Team Nutrition Grant | 9,695 |
| 84.027 | Title VI EHC-Flo Through | 388,465 |
| 84.027 | Title VI EHC-Flo Through Disc | 18,708 |
| 84.173 | Title VI EHC-Flo Through Preschool | 18,413 |
| 84.410 | ARRA Education Jobs Program | 305,435 |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as a low-risk auditee? No

Unified School District #353

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2011

SIGNIFICANT DEFICIENCIES

| <u>ITEM</u> | <u>FINDING</u> | <u>QUESTIONED COST</u> |
|--|---|----------------------------|
| 2011-1 TITLE VI CFDA #84.027 and #84.173 | | Undetermined |
| CONDITION: | Our test of eligibility for Title VI Special Education programs noted that in certain recipient files the Comprehensive Evaluations were not occurring every three years as required. In three out of 40 files selected for testing, there was no comprehensive evaluation or evaluation waiver signed by Unified School District #353 representatives and parent/guardian. | |
| CRITERIA: | Every student in the Special Education program is required to have a comprehensive evaluation completed every three years. | |
| CAUSE: | The students in question are ones that either moved out of the district, then back in or ones that the parents will not respond to consent to the evaluation. Other than the evaluation being over due, the students appeared to otherwise qualify for assistance under the guidelines for Special Education Grants. | |
| EFFECT: | As a result of the above, our test results found that out of forty files tested there were three (3) files that were over due for their comprehensive evaluation. | |
| RECOMMENDATION: | Make sure every student in the Special Education Program has a comprehensive evaluation completed every three years. | |
| RESPONSE: | In an effort to maintain evaluation, USD 353 will gather and enter records from existing LEAs as quickly as possible for enrolling students and provide information regarding IEP and reevaluation due dates to special education teachers, school psychologists, and psychologist aides regarding upcoming due dates for current special education students. | |